

House Judiciary Committee on Crime, CHARLES SCHUMER. I introduced similar legislation in the Senate earlier this year, S. 3239. I believe it is vitally important that we take strong action to address this crime of frightening frequency that presents a vicious new breed of criminal.

My only reservation with the carjacking section in H.R. 4542 goes to the provision that makes the use of a firearm an essential element of the crime. First, this element is unnecessarily restrictive because it does not cover carjacking committed with the use of other type of weapons nor would simple brute force be covered. Second, it creates a new firearm crime outside the context of the existing gun laws. Firearm crimes have been and should be the primary responsibility of the experts in this area, the Bureau of Alcohol, Tobacco and Firearms [ATF]. The brave men and women of ATF have established an outstanding record over the past few years in enforcing the Federal firearms laws against the most violent criminals among us.

It is for that reason that we have discussed with the office of Chairman SCHUMER that we all intend for ATF to continue to play a leading role in combatting this and other firearm related crimes. We plan to discuss this issue with the Agencies involved with enforcing this provision to ensure that they work together to curb this menacing crime.

PREVENTION OF AUTO THEFT

Mr. FORD. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of H.R. 4542, a bill to prevent and deter auto theft just received from the House; that the bill be deemed read three times, passed, and the motion to reconsider laid upon the table, and that any statement respective to this bill be inserted at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 4542) was deemed read a third time and passed.

Mr. PRESSLER. Mr. President, vehicle theft is a serious problem in the United States. But it would be wrong to conclude that this problem is limited only to the loss of property. Increasingly, death and serious bodily injuries are resulting from vehicle theft. This relatively new and violent form of auto theft has been dubbed "carjacking." It is defined as the taking of a motor vehicle from a person or in the presence of another by force, violence or intimidation.

Last week, I sponsored an amendment to the tax bill, H.R. 11. This amendment passed the Senate. It represented a giant step forward in slowing down auto theft by subjecting carjackers who use firearms to severe Federal criminal penalties. Law enforcement officials have theorized vehicle thieves find it easier to use force

than to deal with anti-theft devices installed in newer model cars. Additionally, carjackers can obtain the keys and registration papers for the cars they steal. The amendment would have sent a signal to would-be carjackers that auto theft is no longer just a joy-ride.

President Bush recently endorsed stronger penalties for carjackers. The President said:

We cannot put up with this animal behavior. These people have no place in a decent society * * * they can go to jail and they can stay in jail and they can rot in jail for crimes like that. We need tough laws that don't bend over backwards protecting the criminal.

Sadly, the conference report to the tax bill does not include my amendment. Title I of H.R. 4542, the bill before us now, includes a provision similar to my amendment to the tax bill. Title I subjects carjackers who use firearms to serve criminal penalties. I would have preferred that this bill be broadened to subject to the same penalties not only armed carjackers, but also any carjacker who uses any kind of force, violence, or intimidation. However, Title I still will send a strong signal to would-be carjackers.

H.R. 4542 also has other auto theft prevention provisions. While I will not object to these at this late date, the record should note that I have strong reservations in supporting these provisions.

I introduced the Senate version of H.R. 4542 last April. However, after discussions with several South Dakota auto dealers, as well as parts manufacturers and parts recyclers, I came to the conclusion that the original bill should be revised. In fact, provisions within that bill actually would harm legitimate, law-abiding auto dealers and parts salvagers.

The House-passed compromise version of H.R. 4542 is based on good intentions. Potentially, though, it still could impose serious economic burdens on small auto salvage businesses. The bill also includes a task force which is tasked with studying the effectiveness of auto parts certification. That provision is aimed at developing solutions to this serious problem that will not harm auto dealers, parts manufacturers, parts salvagers, and other legitimate industries. This provision is an integral aspect of this bill. If the task force discovers that the legislation is detrimental to auto dismantlers and parts recyclers, we can take further action at a later date.

Mr. President, I would like the record to indicate my understanding of section 606 of title III of H.R. 4542. In my interpretation, the original seller of a major part marked with an identification number is required by this legislation to determine, through a procedure established by the Attorney General, that such major part has not been reported as stolen. This person or business is also required to provide any subsequent purchaser or transferee

with verification identifying the vehicle identification number of that part and a further verification that such part has not been reported as stolen. It is my understanding that a purchaser or transferee of such part can rely on this original verification and is not required to verify again that a part has not been reported as stolen.

Mr. President, during the upcoming recess, I plan to work closely with automotive industry groups in South Dakota to ensure that this legislation does not impose unwarranted burdens on their businesses. Additionally, I plan to develop further anti-car-theft legislation to deter auto theft.

Mr. LAUTENBERG. Mr. President, I rise in support of this legislation to address the national epidemic of motor vehicle theft.

The Anti-Car Theft Act would establish new criminal sanctions for carjacking, strengthen the existing system of vehicle parts marking, improve the ability of governmental authorities to identify fraudulent care titles, increase existing penalties for auto thieves, and tighten controls on the export of stolen vehicles.

Mr. President, the problem of auto theft has increased substantially in recent years. According to the Uniform Crime Report, between 1984 and 1991 motor vehicle theft increased by 61 percent, to almost 1.7 million offenses per year. Around the country, there is an average of one motor vehicle theft every 19 seconds. The total value of stolen vehicles now exceeds \$8 billion annually.

The vehicle theft problem is particularly serious in my State of New Jersey. According to recent figures, Newark, NJ, has the highest rate of auto theft in the nation. Several New Jersey cities also share the dubious distinction of being in the top ten. In addition, a large number of stolen cars are being exported from New Jersey's ports.

There are many dimensions to the vehicle theft problem, Mr. President. Perhaps the most disturbing is the emerging problem of violent carjackings. Increasingly, thieves are using violence and intimidation to force drivers to give up their cars. Many innocent people are losing their lives in the process. For others, an evening drive with an open window is an experience now best avoided.

Random carejacking may be the most horrifying form of auto theft, Mr. President, but it is just the tip of the iceberg. Stealing cars has developed into a full-fledged industry, run by professionals. Many criminals routinely solicit orders for a particular part, and then go out and steal a car to get it. Others run chop shops, breaking down stolen cars and selling their parts on the black market.

The National Highway Traffic Safety Administration has reported estimates that between 10 and 16 percent of all thefts occur in order to sell the parts for profit. Others put that figure as

high as 40 percent. In any case, it's a major problem. And one reason is that the market for stolen parts is enormous. Repair shops can save substantial sums by purchasing parts on the black market, and thieves often can deliver parts more quickly than legitimate manufacturers.

According to a report in U.S. News & World Report, for example, "undercover cops in California's San Fernando Valley offered stolen parts to some 20 body shops; 12 agreed to buy them. An honest body shop owner may be unaware he's dealing in stolen parts, because many are sold through regional networks that resemble a Turkish bazaar."

Beyond operating an extensive black market in stolen parts, professional car thieves also are in the exporting business. Again, the motivation is largely economic. Vehicles are in great demand overseas, where they may be worth three times more than in the United States.

Mr. President, another aspect of the auto theft problem is the rash of theft by juveniles. Children, some not even teenagers, are stealing cars at an appalling rate. They start young—sometimes they're barely tall enough to see over the steering wheel. Unfortunately, it doesn't take long for them to become experts, able to enter and steal a car in seconds.

These young auto thieves pose a substantial threat to public safety. In Newark, for example, juvenile thieves routinely drive wildly around the streets at night, wreaking havoc with other drivers and pedestrians. The results are often tragic, involving destruction of homes and property, serious injuries, and death.

Mr. President, this legislation would attack the auto theft problem in several ways. First, new penalties for carjacking, and enhanced penalties for importing or exporting stolen cars, should help deter thieves. I proposed very similar measures in a bill I introduced, S. 3276. They're important. Carjacking threatens to spread rapidly around the nation, as criminals engage in copycat crimes. To prevent such a plague, we need to bring Federal resources to bear.

Second, by expanding the current system of vehicle parts marking, the bill promises to help auto theft investigators track down thieves, close down chop shops, and eliminate organized car theft rings.

Third, the bill will crack down on exporters of stolen cars, by directing the Customs Service to conduct spot checks of cars and containers leaving the country.

Mr. President, one of the reasons why the auto theft epidemic has hit New Jersey so hard is that organized rings of car thieves are stealing vehicles for export to foreign countries, through New Jersey's ports. A similar problem is occurring in many areas near port facilities.

Exporting is motivated largely by a great demand for vehicles in a wide variety of overseas locations. These include Central and South America, the Caribbean, Western Europe, the Middle East, and Africa.

The scope of the international trade in stolen vehicles is astonishing; 200,000 stolen cars a year may be shipped abroad, some experts believe. According to the FBI, one in five vehicles on the docks waiting for Customs clearance in some Caribbean countries show clear signs of having been stolen and shipped from the United States. For vehicles worth over \$15,000, the rate is nearly four out of five. It is an outrageous situation and must not be tolerated. This bill should help.

The next major component of the bill would establish a new program to provide support to State and local anti-auto theft efforts.

Mr. President, I commissioned a report on auto theft by the National Highway Traffic Safety Administration that was completed early this year. This report indicates that State and local authorities can adopt a variety of approaches to deal with auto theft. Teams of police officers from several jurisdictions can work together to identify and apprehend thieves. Teams of prosecutors can be established to ensure that these thieves are brought to justice. Public awareness campaigns can educate residents about preventive measures, and encourage citizens to provide law enforcement officials with valuable tips to help in the crackdown.

These kind of initiatives can make a real difference. In New Jersey, local law enforcement officials in Essex and Union Counties have banded together to mount a coordinated assault on the problem, and preliminary results are impressive. Arrests for auto theft have increased substantially. And while auto theft remains a problem there has been real progress.

Unfortunately, State and local efforts like these can be costly. Even where auto theft is rampant, many municipalities simply are unable to devote the resources needed. In fact, many of the areas hit hardest by auto theft are those with the fewest resources to fight back.

This bill will help, by providing much needed resources for State and local anti-auto theft initiatives. I had proposed a somewhat different approach in S. 3276, but the program in this bill should be very helpful.

Mr. President, I want to commend Congressman CHARLES SCHUMER for his work on this bill, and for his leadership in this area.

Mr. President, this bill is focused largely on law enforcement approaches in the battle against auto theft. Next year I hope we will take the next step: prevention.

Included in legislation I introduced on September 25, S. 3276, are two measures that are designed to prevent auto theft from occurring in the first place. The first would establish minimum

theft resistance standards, to ensure that cars are not manufactured with unreinforced steering columns or other components that physically facilitate theft, and create an unreasonable risk of such theft. That's essential to address the many vehicle models that have proven made-to-order for car thieves.

My second proposal for auto theft prevention would authorize a voluntary vehicle theft prevention program based on programs operating in various jurisdictions around the country, typically called "Combat Auto Theft [CAT]" or "Help End Auto Thief [HEAT]."

Under these programs, a vehicle owner may voluntarily sign a form stating that his or her vehicle is not normally operated during certain hours, typically between 1 a.m. and 5 a.m. Highly adhesive decals are then affixed to the vehicle. If a law enforcement officer later sees the vehicle being driven during the specified hours, the decals provide grounds for establishing the reasonable suspicion necessary under the Constitution to stop the vehicle and make appropriate inquiries.

Mr. President, I hope the Congress will enact these additional theft prevention proposals in the next Congress.

Again, Mr. President, I congratulate Congressman SCHUMER for his excellent work on the important legislation before us today. And I urge my colleagues to support the bill.

Mr. PRESSLER. Mr. President, last April, I sponsored S. 2613, the Senate version of H.R. 4542, the Anti-Car Theft Act. The original version of H.R. 4542 contained four titles—one dealing with carjacking and three dealing with the marking, labeling, and titling of auto parts. After discussions with national and South Dakota auto interest groups, I found that the three provisions regarding parts marking would be economically burdensome to small auto salvagers and parts dealers.

I came to the conclusion that the bill did not accomplish its aims. I feared that the parts-marking provisions within that bill would actually harm legitimate auto dealers and parts salvagers. On September 26, in an effort to keep the carjacking provision of the bill alive, I offered, as an amendment to the tax bill, just title I of S. 2613. Unfortunately, during the conference report process, my carjacking amendment was stricken from the tax bill.

Since then, Representatives SCHUMER and DINGELL have reached a compromise on the marking and labeling titles in H.R. 4542. The new version of H.R. 4542 is a far better piece of legislation. However, I still had reservations when the bill came to the Senate a few days ago. I discussed my concerns with the various auto industry interest groups who had opposed the bill earlier. They all assured me that this compromise is the best version of the auto theft legislation that has been

drafted. They are now endorsing the bill.

Mr. President, I wonder if my good friends, the distinguished Senators HATCH and RIEGLE, would engage with me in a discussion about the Anti-Car Theft bill?

Mr. HATCH. I would be happy to discuss this legislation with the Senator from South Dakota. I appreciate his interest in the auto theft problem as well as his concern for the legitimate small business dealers affected by this legislation. Could the Senator from South Dakota specify the protections that the small auto businesses will be afforded through this compromise bill?

Mr. PRESSLER. I thank my colleague from Utah for his question. I share his concerns for the small businesses affected by the marking and titling provisions of this bill. I would not support this bill if it did not have the endorsement of the national organizations representing these small businesses. Fortunately, there are certain protections in the compromise measure designed to protect legitimate auto operations.

The car theft bill before us creates a task force to study the effectiveness of auto parts certification. This task force will be charged with determining and developing solutions to the serious auto theft problem that will not harm auto dealers, parts manufacturers, parts salvagers, and other auto industries. The inclusion of this task force is an integral aspect of the bill. Persons representing various auto interest groups, along with the Secretary of Transportation and the Attorney General of the United States, will participate as members of the task force.

Additionally, title III, section 301 (b) of the bill clearly distinguishes criminal "chop shop" operations from the operations of legitimate automotive recycling businesses. The vital role played by the legitimate automotive recycling industry in the American economy and environment should not be confused with chop shops. The bill properly defines and targets the criminals who operate illegal chop shops, not the small, primarily family-owned businesses which comprise the legitimate recycling industry.

Title II, section 204(a)(2)(A) of the bill addresses the burden double reporting of junk and salvage titles would place on automotive recycling businesses. This section is not intended to release State governments from the responsibility for reporting junk and salvage titles to the National Motor Vehicle Title Information System established in title II. Those States which elect not to participate in the system, and yet require such reporting, should not expect the small businesses which comprise the automotive recycling industry to do the States' work by contributing those States' titling information to a national clearinghouse of junk and salvage titles. This provision should not be construed to require double reporting of these businesses in

order to compensate for deficient information from nonparticipating States.

Mr. RIEGLE. I would like to note that in addition to the involvement of individual States in the marking of parts, junkyards are not responsible for marking if they have received certification from an insurance company.

Mr. PRESSLER. I thank my colleague from Michigan for making that important point. I would like to make one last point with regard to the small businesses that will be affected directly by this bill. The increased likelihood that a single vehicle may contain numerous parts with different identification numbers will require that great care be taken to ensure those parts are properly identified and indicated on the transfer document upon sale of the vehicle. A lack of thorough investigation could allow a few stolen parts to enter an otherwise secure system. Selling thousands of vehicles with multiple identification numbers salvaged by insurance companies at salvage auctions without proper verification procedures could compromise the stolen part information system this legislation seeks to establish.

Mr. HATCH. This bill includes new requirements for the Attorney General. Would my colleague from South Dakota address the new role of the Attorney General in this legislation?

Mr. PRESSLER. I would be happy to address the issue raised by my distinguished colleague. Title III of the bill expands the current motor vehicle parts marking requirements to combat chop shops. In doing so, it provides new direction and authority for the Attorney General. First, the Attorney General, after public notice, must make a "finding" that additional parts marking is working before the Secretary of Transportation can initiate the second rulemaking. Second, the Attorney General, by December 31, 1999, must make a determination, after notice and public hearing, whether one or both of the rules expanding the parts marking requirements have been effective in substantially inhibiting chop shop operations.

In order to perform these tasks effectively, the Attorney General must thoroughly analyze the data collected under section 615, "Insurance Reports and Information." I am concerned that under existing law this information has been less than adequate. I would like assurances that this information will be forthcoming. I also want to make sure the Attorney General's analysis of this information is fair and the findings unbiased. There has been a great deal of controversy over this section of the bill. This controversy should be put to rest. If the parts marking works, we should continue to require it. If parts marking doesn't substantially reduce chop shop operations and motor vehicle theft, we ought to eliminate the requirement.

Mr. RIEGLE. Is the Senator from South Dakota saying that it would not be the intention of the Attorney Gen-

eral to mark every car and its parts? And isn't it true that the Attorney General would consult with the Secretary of Transportation who also participates in matters pertaining to parts marking of vehicles and the use of anti-theft devices installed on vehicles?

Mr. PRESSLER. The Senator from Michigan is correct in his interpretation of my remarks. I thank my distinguished colleagues for participating in this informative discussion.

RELIEF OF WILLIAM A. PROFFITT

Mr. FORD. Mr. President, I ask unanimous consent that H.R. 2156, an act for the relief of William A. Proffitt be discharged from the Senate Armed Services Committee and be referred to the Judiciary Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I now ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2156; the Senate proceed to its immediate consideration; the bill be deemed read for the third time, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

So the bill (H.R. 2156) was deemed to have been read three times and passed.

RELIEF OF CRAIG AND NITA SORENSON

RELIEF OF WILKINSON COUNTY SCHOOL DISTRICT

Mr. FORD. Mr. President, I ask unanimous consent the Judiciary Committee be discharged from further consideration of H.R. 5164, and that the Senate proceed to the immediate consideration en bloc of the following bills: H.R. 5164 and H.R. 5998; that both bills be deemed read three times, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bills (H.R. 5164 and H.R. 5998) were deemed to have been read three times and passed.

SECURITIES EXCHANGE ACT OF 1934 AMENDMENTS

Mr. FORD. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of S. 3389, a bill to amend the Securities Exchange Act of 1934, to prohibit certain transactions with respect to management accounts introduced earlier by Senator KERRY of Massachusetts; that the bill be deemed read three times, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.